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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-916; C-570-917]

Laminated Woven Sacks from the People's Republic of China: Negative Final Determination of Circumvention

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce ("the Department") continues to determine that the laminated woven sacks subject to this inquiry are not circumventing the antidumping and countervailing duty orders on laminated woven sacks from the People's Republic of China ("PRC"), as provided in section 781(d) of the Tariff Act of 1930, as amended ("the Act").<sup>1</sup>

EFFECTIVE DATE: [Insert date of publication in the Federal Register.]

FOR FURTHER INFORMATION CONTACT: Irene Gorelik, Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC, 20230; telephone (202) 482-6905.

SUPPLEMENTARY INFORMATION:

Scope of the Orders

The merchandise covered by the orders<sup>2</sup> is laminated woven sacks. Laminated woven sacks are bags or sacks consisting of one or more plies of fabric consisting of woven polypropylene strip and/or woven polyethylene strip, regardless of the width of the strip; with or without an extrusion coating of polypropylene and/or polyethylene on one or both sides of the

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<sup>1</sup> See Notice of Antidumping Duty Order: Laminated Woven Sacks From the People's Republic of China, 73 FR 45941 (August 7, 2008); see also Laminated Woven Sacks From the People's Republic of China: Countervailing Duty Order, 73 FR 45955 (August 7, 2008), (collectively, "Orders").

<sup>2</sup> See Orders.

fabric; laminated by any method either to an exterior ply of plastic film such as biaxially-oriented polypropylene (“BOPP”) or to an exterior ply of paper that is suitable for high quality print graphics.<sup>3</sup> Effective July 1, 2007, laminated woven sacks are classifiable under Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings 6305.33.0050 and 6305.33.0080. Laminated woven sacks were previously classifiable under HTSUS subheading 6305.33.0020.<sup>4</sup> The HTSUS subheadings are provided for convenience and customs purposes only; the written product description of the scope of the orders is dispositive.

#### Scope of the Anti-Circumvention Inquiry

The merchandise subject to the anti-circumvention inquiry is laminated woven sacks produced with two ink colors printed in register and a screening process (“screening-process sacks”). Petitioners allege that PRC producers of screening-process sacks have adapted the screening process to create graphics that appear to have three or more distinct colors visible, although, they are produced using only two inks and a screen. Petitioners contend that such graphics would normally be printed using three inks printed in register at three different print stations, which would then make them subject merchandise. However, by adapting the screening process, Petitioners state that PRC producers of screening-process sacks are able to produce similar graphics while only using two inks, thus, making merchandise that is out of scope and not subject to antidumping and countervailing duties.

The screening process at issue, as described by interested parties, only uses two ink colors printed in register at two different print stations. However, the artwork, by use of a

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<sup>3</sup> See “Decision Memorandum for Final Determination of Circumvention of the Antidumping and Countervailing Duty Orders: Laminated Woven Sacks from the People’s Republic of China,” from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Import Administration, (“Final Decision Memo”), dated concurrently with this final determination for a complete description of the Scope of the Order.

<sup>4</sup> Additional HTSUS considerations apply. See Final Decision Memo.

screen, allows for different shades of a single color to appear on the bag. Thus, when printed, the screening-process sacks appear to have been printed with more than two colored inks because more than two distinct colors are visible on the finished product. As an example of the screening-process sacks, the Department placed on the record of both proceedings five laminated woven sacks imported by Shapiro: two individual Manna Pro Horse Feed sacks, two individual Red Head Deer Corn sacks, and one Manna Pro Calf-Manna sack.<sup>5</sup> Following the Negative Preliminary Determination,<sup>6</sup> an additional sack was placed on the record,<sup>7</sup> referred to as the “Manna Pro Complete Sack,” as an example of a two-ink, screened sack imported by Shapiro and addressed in the Post-Preliminary Determination.

### Methodology

The Department has conducted this proceeding in accordance with section 781(d)(1) of the Act.<sup>8</sup> For a full description of the methodology underlying our conclusions, please see the Final Decision Memo<sup>9</sup>, dated concurrently with this final determination and hereby adopted by this notice. The Final Decision Memo is a public document and is on file electronically via Import Administration’s Antidumping and Countervailing Duty Centralized Electronic Service System (“IA ACCESS”). Access to IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Final

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<sup>5</sup> See Memorandum to the File from Jamie Blair-Walker regarding Anti-circumvention Inquiry of Laminated Woven Sacks from the People’s Republic of China on the subject of Meeting with Counsel for the Laminated Woven Sacks Committee and its individual members, Coating Excellence International, LLC and Polytex Fibers Corporation, dated July 15, 2011.

<sup>6</sup> See Laminated Woven Sacks from the People’s Republic of China: Negative Preliminary Determination of Circumvention of the Antidumping and Countervailing Duty Orders, 76 FR 72161 (November 22, 2011) (“Negative Preliminary Determination”).

<sup>7</sup> See Shapiro’s supplemental questionnaire response entitled “Laminated Woven Sacks from China; Printed Inks Anti-Circumvention Inquiry: Submission of AMS Third Supplemental Response” dated January 27, 2012 (“January 27, 2012 Supplemental Response”), at 2-3 and Attachment I.

<sup>8</sup> See section 781(d)(1) of the Act.

<sup>9</sup> See Final Decision Memo for a complete description of the Scope of the Order.

Decision Memo can be accessed directly on the Internet at <http://www.trade.gov/ia/>. The signed Final Decision Memo and the electronic versions of the Final Decision Memo are identical in content.

#### Final Determination

For the reasons discussed in the Final Decision Memo, we continue to determine that the screening-process sacks are not later-developed merchandise because they were commercially available at the time of the initiation of the less-than-fair-value investigation on laminated woven sacks from the PRC. Therefore, we also continue to determine that screening-process sacks are not circumventing the Orders within the meaning of section 781(d) of the Act.

This final determination is published in accordance with section 781(d) of the Act and 19 CFR 351.225.

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Paul Piquado  
Assistant Secretary  
for Import Administration

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Dated: February 14, 2013.

## Appendix

- Comment 1: Commercial Availability in the U.S. Market Prior To Initiation of Investigations
- Comment 2: The Shapiro Sacks and Complete Sack Are Commercially Comparable Merchandise

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